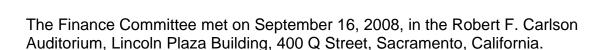


MINUTES OF MEETING

September 16, 2008



The meeting was called to order at 3:20 p.m. and the following members were present:

Tony Oliveira, Chair Terry McGuire for John Chiang, Vice Chair Henry Jones Grant Boyken for Bill Lockyer Louis F. Moret Kurato Shimada

Excused Member(s):

Charles Valdes

Other Board Member(s):

None

AGENDA ITEM 2 – APPROVAL OF June 17, 2008, MEETING MINUTES

The minutes were approved as presented. Committee Member Kurato Shimada abstained due to absence at the June meeting.

AGENDA ITEM 3 - CHIEF AUDITOR'S REPORT

A matrix was presented reflecting the status of various activities occurring within the Office of Audit Services to the Committee as an information item.

AGENDA ITEM 4 – OFFICE OF AUDIT SERVICES – QUARTERLY AND YEAR-END STATUS REPORT

Margaret Junker, Assistant Division Chief, Office of Audit Services, presented the quarterly and year-end report to the Committee as an information item.

AGENDA ITEM 5 – EXTERNAL AUDIT FEES

Mr. Jensen presented summary of the 2007-08 External Audit Fees to the Committee as an information item.

AGENDA ITEM 6 – OFFICE OF ENTERPRISE COMPLIANCE QUARTERLY STATUS REPORT

Sherry Johnstone, Chief Compliance Officer, presented the quarterly status report to the Committee as an information item.

AGENDA ITEM 7 - COMPLIANCE OFFICE REPORT

Ms. Johnstone presented a matrix reflecting the status of various activities occurring within the Office of Enterprise Compliance to the Committee as an information item.

AGENDA ITEM 8 - CaIPERS 2008-11 THREE-YEAR BUSINESS PLAN

Kami Niebank, Chief, Strategic Management Services Division, presented the semiannual update of the 2008-11 three-year business plan to the Committee as an action item, which included the recommendation to remove objectives 1.3 and 1.4.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee recommended the Board approve removal of objectives 1.3 and 1.4, approval of the CalPERS 2008-11 three-year business plan update, and transmittal of the business plan to the Legislature.

AGENDA ITEM 9 – ASSISTANT EXECUTIVE OFFICER'S REPORT

Teri Bennett, Assistant Executive Officer, presented a matrix reflecting the status of various activities occurring within the Information Technology Services Branch to the Committee as an information item.

AGENDA ITEM 10 – YEAR-END BUDGET AND EXPENDITURE REPORT FOR FISCAL YEAR 2007-08

Russ Fong, Chief, Fiscal Services Division, presented the year-end Budget and Expenditure Report to the Committee as an action item.

On **MOTION** by Kurato Shimada, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the transmittal letter and submission of the year-end Budget and Expenditure Report for FY 2007-08 to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2007, and to the Legislative Analyst's Office, State and Consumer Services Agency and the Office of the Legislative Counsel.

AGENDA ITEM 11 – CURRENT BUDGET ISSUES

Steve Pietrowski, Assistant Chief, Fiscal Services Division, presented the following issues to the Committee as an information item:

Mid-Year and Annual Budget Process

AGENDA ITEM 12 – SMALL BUSINESS AND DISABLED VETERAN BUSINESS ENTERPRISE CONTRACT PARTICIPATION FOR FISCAL YEAR 2007-08 ANNUAL REPORT

Lindy E. Plaza, Internal Diversity Officer, presented the annual report for fiscal year 2007-08 to the Committee as an information item.

AGENDA ITEM 13 – PROPOSED 2009 FINANCE COMMITTEE MEETING DATES

John Hiber, Assistant Executive Officer, presented the proposed 2009 Finance Committee meeting dates to the Committee as an action item.

On **MOTION** by Lou Moret, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the 2009 Finance Committee meeting dates as presented.

AGENDA ITEM 14 – ASSISTANT EXECUTIVE OFFICER REPORT

John Hiber, Assistant Executive Officer, presented the annual calendar review and a matrix that reflected the status of various activities to the Committee as an information item.

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AGENDA ITEM 15 – PROPOSED SEPTEMBER 2008 AGENDA

The proposed November 2008 agenda was presented to the Committee.

AGENDA ITEM 16 – PUBLIC COMMENT

There was no public comment.

The next Finance Committee meeting is scheduled for November 17, 2008, in Sacramento, California.

Date:	
	KENNETH W. MARZION
	Interim Chief Executive Officer